

REPRINTED

SENATE FILE 2138

BY COMMITTEE ON LOCAL GOVERNMENT

(SUCCESSOR TO SSB 2119)

Passed Senate, Date ^(p. 262) 2/7/96

Passed House, Date _____

Vote: Ayes 49 Nays 0

Vote: Ayes _____ Nays _____

Approved _____

A BILL FOR

1 An Act relating to county mental health and developmental
2 disability funding.

3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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S.F. 2138

REPRINTED

1 Section 1. Section 331.424A, Code Supplement 1995, is
2 amended by adding the following new subsection:

3 NEW SUBSECTION. 6. Notwithstanding any other provision of
4 law to the contrary, a county shall have no obligation to pay
5 for or provide mental health, mental retardation, or
6 developmental disabilities services for any person that
7 applies through the county's single entry point and clinical
8 assessment process after the moneys in the county services
9 fund are expended.

10 Sec. 2. Section 426B.2, subsection 5, Code Supplement
11 1995, is amended to read as follows:

12 5. The department of human services shall notify the
13 director of revenue and finance of the amounts due a county in
14 accordance with the provisions of this section. The director
15 of revenue and finance shall draw warrants on the property tax
16 relief fund, payable to the county treasurer in the amount due
17 to a county in accordance with subsections 1 and 3 and mail
18 the warrants to the county auditors ~~in-September~~ on July 1 and
19 March January 1 of each year. Warrants for the state payment
20 in accordance with subsection 2 shall be mailed in January of
21 each year.

22 EXPLANATION

23 This bill relates to county mental health and developmental
24 disability funding provisions. Section 331.424A is amended by
25 adding a new subsection. The new subsection provides that a
26 county has no obligation to pay for or provide mental health,
27 mental retardation, or developmental disability services for
28 any person who applies through the county's service entry
29 process after the moneys in the county's services fund are
30 expended.

31 The bill also provides that payments to the counties from
32 the property tax relief fund are to be mailed on July 1 and
33 January 1 of each year in lieu of September and March of each
34 year.

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SENATE FILE 2138

S-5048

1 Amend Senate File 2138 as follows:

2 1. Page 1, line 9, by inserting after the word
3 "expended." the following: "After the moneys in the
4 county services fund are expended, any costs incurred
5 which are otherwise payable under this section shall
6 be paid by the state."

By ALBERT G. SORENSEN
DENNIS H. BLACK
BILL FINK
O. GENE MADDOX

ANDY MCKEAN
EUGENE S. FRAISE
LYLE E. ZIEMAN
ROD HALVORSON

S-5048 FILED FEBRUARY 7, 1996
WITHDRAWN

(P. 261)

SENATE FILE 2138

S-5049

1 Amend Senate File 2138 as follows:

2 1. Page 1, line 9, by inserting after the word
3 "expended." the following: "After the moneys in the
4 county services fund are expended, any costs incurred
5 which are otherwise payable under this section shall
6 be paid by the state."

By PATTY JUDGE
ALBERT G. SORENSEN
DENNIS H. BLACK
BILL FINK
O. GENE MADDOX
ANDY MCKEAN
EUGENE S. FRAISE
LYLE E. ZIEMAN
ROD HALVORSON

JOHN P. KIBBIE
BERL E. PRIEBE
EMIL J. HUSAK
LARRY MURPHY
MICHAEL E. GRONSTAL
PATRICK J. DELUHERY
ELAINE SZYMONIAK
RANDAL J. GIANNETTO

S-5049 FILED FEBRUARY 7, 1996
ADOPTED

(P. 262)

1 Section 1. Section 331.424A, Code Supplement 1995, is
2 amended by adding the following new subsection:

3 NEW SUBSECTION. 6. Notwithstanding any other provision of
4 law to the contrary, a county shall have no obligation to pay
5 for or provide mental health, mental retardation, or
6 developmental disabilities services for any person that
7 applies through the county's single entry point and clinical
8 assessment process after the moneys in the county services
9 fund are expended. After the moneys in the county services
10 fund are expended, any costs incurred which are otherwise
11 payable under this section shall be paid by the state.

12 Sec. 2. Section 426B.2, subsection 5, Code Supplement
13 1995, is amended to read as follows:

14 5. The department of human services shall notify the
15 director of revenue and finance of the amounts due a county in
16 accordance with the provisions of this section. The director
17 of revenue and finance shall draw warrants on the property tax
18 relief fund, payable to the county treasurer in the amount due
19 to a county in accordance with subsections 1 and 3 and mail
20 the warrants to the county auditors ~~in-September~~ on July 1 and
21 ~~March~~ January 1 of each year. Warrants for the state payment
22 in accordance with subsection 2 shall be mailed in January of
23 each year.

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SENATE FILE 2138

H-5846

1 Amend Senate File 2138, as amended, passed, and
2 reprinted by the Senate, as follows:

3 1. Page 1, by striking lines 1 through 11 and
4 inserting the following:

5 "Sec. 100. NEW SECTION. 331.439A INDEMNITY FUND.

6 1. An indemnity fund is created in the office of
7 the treasurer of state under the authority of the
8 executive council. Moneys in the indemnity fund shall
9 consist of appropriations by the state and payments by
10 counties as provided in this section. Notwithstanding
11 section 8.33, moneys in the indemnity fund which
12 remain unencumbered or unobligated at the close of a
13 fiscal year shall remain in the indemnity fund to be
14 used as provided in this section. Notwithstanding
15 section 12C.7, interest or earnings on moneys
16 deposited in the indemnity fund shall be credited to
17 the indemnity fund.

18 2. There is appropriated from the general fund of
19 the state to the indemnity fund in each fiscal year
20 the sum of one million dollars.

21 3. A county wishing to participate in the grant
22 program funded from the indemnity fund shall annually
23 pay to the indemnity fund during the fiscal year of
24 participation an amount not to exceed one-half of one
25 percent of the county's base year expenditures, as
26 defined in section 331.438.

27 4. A participating county may submit a request to
28 the indemnity fund for a cash grant in the event the
29 county's services fund is insufficient or is projected
30 to be insufficient to pay for a service in the
31 county's management plan approved under section
32 331.439 because of an unusual or unanticipated need of
33 an individual. A decision to grant the county's
34 request is subject to all of the following conditions:

35 a. The individual is covered under the county's
36 approved management plan.

37 b. The service needs of the individual are
38 documented and address possible service alternatives.

39 c. Payment of the individual's service needs is
40 anticipated to cause the county's services fund to be
41 insufficient to pay for all of the services required
42 under the county's management plan unless the plan
43 were to be amended to reduce services or service
44 costs.

45 d. One or more of the following circumstances
46 applies:

47 (1) The service costs of the individual were not
48 an obligation of the county in any fiscal year
49 previous to the fiscal year in which the request is
50 made.

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1 (2) The service costs of the individual were an
2 obligation of the county in a previous fiscal year and
3 the individual suffered an additional unanticipated
4 disability condition with an exceptional cost.

5 (3) The service costs of the individual were an
6 obligation of the county in a previous fiscal year and
7 the individual's disability worsened and requires an
8 unanticipated additional service with an exceptional
9 cost.

10 e. A indemnity fund grant shall be for one fiscal
11 year only and is not renewable for the costs of the
12 same services to an individual in a subsequent fiscal
13 year.

14 f. The county levies the maximum amount authorized
15 for the county's services fund under section 331.424A.

16 g. The county indicated in writing to the county
17 finance committee on or before March 15 of the fiscal
18 year prior to the fiscal year for which a grant is
19 requested, the county's intention to participate in
20 the indemnity fund.

21 5. An account shall be created within the
22 indemnity fund for each county participating in the
23 fund. All of the following shall be annually credited
24 to the account of a county participating in the fund
25 in a fiscal year:

26 a. The county's payment for the fiscal year to the
27 indemnity fund under subsection 3.

28 b. The county's portion of any state appropriation
29 for the fiscal year to the fund. The county's portion
30 shall be determined by applying the county's
31 percentage share of all county payments to the fund
32 for the fiscal year under subsection 3 to the amounts
33 appropriated by the state for the fiscal year.

34 c. Interest and earnings attributable to the
35 balance in the account in the previous fiscal year.

36 6. A request for a grant from the indemnity fund
37 shall be initially considered by the county finance
38 committee which shall make a recommendation to the
39 executive council to accept or reject the request in
40 whole or in part. The decision of the executive
41 council is final.

42 7. A grant to a county from the indemnity fund
43 shall be debited against the county's account. The
44 balance in a county's account at the close of a fiscal
45 year shall be carried forward as a beginning account
46 balance and is available for grants in the succeeding
47 fiscal year. The executive council shall not approve
48 grants for a county in excess of the amount of funding
49 available in the county's account for a fiscal year."

50 2. Page 1, by inserting after line 23 the

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1 following:

2 "Sec. ____ . EFFECTIVE DATE. Section 100 of this
3 Act, enacting section 331.439A, takes effect July 1,
4 1997, and a county wishing to participate in the
5 indemnity fund created in that section for the fiscal
6 year beginning July 1, 1997, must notify the county
7 finance committee of the county's intention to
8 participate in the indemnity fund on or before March
9 15, 1997."

10 3. Title page, line 2, by inserting after the
11 word "funding" the following: "by creating an
12 indemnity fund, making an appropriation, and providing
13 an effective date".

By CARROLL of Poweshiek

H-5846 FILED APRIL 3, 1996

SENATE FILE 2138

H-5883

1 Amend Senate File 2138, as amended, passed, and
2 reprinted by the Senate, as follows:

3 1. Page 1, by striking lines 1 through 11 and
4 inserting the following:

5 "Sec. 100. NEW SECTION. 331.439A INDEMNITY FUND.

6 1. An indemnity fund is created in the office of
7 the treasurer of state under the authority of the
8 executive council. Moneys in the indemnity fund shall
9 consist of appropriations by the state and payments by
10 counties as provided in this section. Notwithstanding
11 section 8.33, moneys in the indemnity fund which
12 remain unencumbered or unobligated at the close of a
13 fiscal year shall remain in the indemnity fund to be
14 used as provided in this section. Notwithstanding
15 section 12C.7, interest or earnings on moneys
16 deposited in the indemnity fund shall be credited to
17 the indemnity fund.

18 2. There is appropriated from the general fund of
19 the state to the indemnity fund in each fiscal year
20 the sum of one million dollars.

21 3. A participating county may submit a request to
22 the indemnity fund for a cash grant in the event the
23 county's services fund is insufficient or is projected
24 to be insufficient to pay for a service in the
25 county's management plan approved under section
26 331.439 because of an unusual or unanticipated need of
27 an individual. A decision to grant the county's
28 request is subject to all of the following conditions:

29 a. The individual is covered under the county's
30 approved management plan.

31 b. The service needs of the individual are
32 documented and address possible service alternatives.

33 c. Payment of the individual's service needs is
34 anticipated to cause the county's services fund to be
35 insufficient to pay for all of the services required
36 under the county's management plan unless the plan
37 were to be amended to reduce services or service
38 costs.

39 d. One or more of the following circumstances
40 applies:

41 (1) The service costs of the individual were not
42 an obligation of the county in any fiscal year
43 previous to the fiscal year in which the request is
44 made.

45 (2) The service costs of the individual were an
46 obligation of the county in a previous fiscal year and
47 the individual suffered an additional unanticipated
48 disability condition with an exceptional cost.

49 (3) The service costs of the individual were an
50 obligation of the county in a previous fiscal year and

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1 the individual's disability worsened and requires an
2 unanticipated additional service with an exceptional
3 cost.

4 e. A indemnity fund grant shall be for one fiscal
5 year only and is not renewable for the costs of the
6 same services to an individual in a subsequent fiscal
7 year.

8 f. The county levies the maximum amount authorized
9 for the county's services fund under section 331.424A.

10 4. An account shall be created within the
11 indemnity fund for each county. All of the following
12 shall be annually credited to the account of a county
13 in a fiscal year:

14 a. A county's portion of the appropriation from
15 the property tax relief fund to the indemnity fund for
16 the fiscal year. The county's portion shall be the
17 amount determined by applying the county's percentage
18 share of all county base year expenditures, as defined
19 in section 331.438, to the amount of the appropriation
20 from the property tax relief fund to the indemnity
21 fund.

22 b. The county's portion of any appropriations from
23 the general fund of the state for the fiscal year to
24 the indemnity fund. The county's portion shall be
25 determined by applying the county's percentage share
26 of all county base year expenditures, as defined in
27 section 331.438, to the amounts appropriated by the
28 state for the fiscal year.

29 c. Interest and earnings attributable to the
30 balance in the account in the previous fiscal year.

31 5. A request for a grant from the indemnity fund
32 shall be initially considered by the county finance
33 committee which shall make a recommendation to the
34 executive council to accept or reject the request in
35 whole or in part. The decision of the executive
36 council is final.

37 6. A grant to a county from the indemnity fund
38 shall be debited against the county's account. The
39 balance in a county's account at the close of a fiscal
40 year shall be carried forward as a beginning account
41 balance and is available for grants in the succeeding
42 fiscal year. The executive council shall not approve
43 grants for a county in excess of the amount of funding
44 available in the county's account for a fiscal year.

45 Sec. 200. Section 426B.1, Code Supplement 1995, is
46 amended by adding the following new subsection:

47 NEW SUBSECTION. 3. There is annually appropriated
48 from the property tax relief fund to the indemnity
49 fund created in section 331.439A, an amount equal to
50 one-half of one percent of the total of base year

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1 expenditures for all counties. The appropriation in
2 this subsection shall be charged against the property
3 tax relief fund prior to the distribution of moneys
4 from the fund under section 426B.2 and the amount of
5 moneys available for distribution shall be reduced
6 accordingly. However, the appropriation in this
7 subsection shall be considered to be a property tax
8 relief payment for purposes of the combined amount of
9 payments required to achieve fifty percent of the
10 counties' base year expenditures as provided in
11 section 426B.2, subsection 3."

12 2. Page 1, by inserting after line 23 the
13 following:

14 "Sec. ____ . EFFECTIVE DATE. Section 100 of this
15 Act, enacting section 331.439A, and section 200 of
16 this Act, amending section 426B.1, take effect July 1,
17 1997."

18 3. Title page, line 2, by inserting after the
19 word "funding" the following: "by creating an
20 indemnity fund, making appropriations, and providing
21 effective dates".

By CARROLL of Poweshiek

H-5883 FILED APRIL 9, 1996

Sorensen
Judge
McKean

SSB 2119
Local Government
Succeeded By
SF/HF 2138

SENATE FILE _____
BY (PROPOSED COMMITTEE ON
LOCAL GOVERNMENT BILL
BY CHAIRPERSON SORENSEN)

Passed Senate, Date _____ Passed House, Date _____
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act relating to county mental health and developmental
2 disability funding.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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3 NEW SUBSECTION. 6. Notwithstanding any other provision of
4 law to the contrary, a county shall have no obligation to pay
5 for or provide mental health, mental retardation, or
6 developmental disabilities services for any person that
7 applies through the county's single entry point and clinical
8 assessment process after the moneys in the county services
9 fund are expended.

10 Sec. 2. Section 426B.2, subsection 5, Code Supplement
11 1995, is amended to read as follows:

12 5. The department of human services shall notify the
13 director of revenue and finance of the amounts due a county in
14 accordance with the provisions of this section. The director
15 of revenue and finance shall draw warrants on the property tax
16 relief fund, payable to the county treasurer in the amount due
17 to a county in accordance with subsections 1 and 3 and mail
18 the warrants to the county auditors ~~in-September~~ on July 1 and
19 ~~March~~ January 1 of each year. Warrants for the state payment
20 in accordance with subsection 2 shall be mailed in January of
21 each year.

22 EXPLANATION

23 This bill relates to county mental health and developmental
24 disability funding provisions. Section 331.424A is amended by
25 adding a new subsection. The new subsection provides that a
26 county has no obligation to pay for or provide mental health,
27 mental retardation, or developmental disability services for
28 any person who applies through the county's service entry
29 process after the moneys in the county's services fund are
30 expended.

31 The bill also provides that payments to the counties from
32 the property tax relief fund are to be mailed on July 1 and
33 January 1 of each year in lieu of September and March of each
34 year.

35